Under the agreement, North Carolina will partner with Norfolk Southern to design and construct the rail improvements that will serve passengers and freight. Norfolk Southern, in dispatching trains on the lines, will give higher priority to passenger service and assure travel times and reliability. North Carolina will help pay for maintenance costs to sustain public benefits over the life of the project.

"We are grateful to Norfolk Southern for their partnership with the state in modernizing our passenger rail service," Perdue said. "With this agreement, they have proven themselves a fine corporate citizen in promoting the economic development of our state."

North Carolina already had received \$59 million of the Recovery grants and put it to use for adding a third daily round trip, purchasing equipment, upgrading stations in Cary, Burlington, High Point and Kannapolis and doing planning for the next stage of construction.

Now, the state will proceed with 24 construction projects in 11 counties, ranging from adding double tracks between Charlotte and Greensboro to building a dozen new bridges to eliminate 30 unsafe road-track crossings.

The improvements eventually will reduce the travel time between Raleigh and Charlotte from three hours 15 minutes now to just over two hours. The system is expected to be in place by 2017.

In addition to reducing travel times, the rail network improvements are designed to enhance highway and railroad safety, improve service reliability and facilitate growth in both freight and passenger services.

Modernization of the North Carolina system is a key link in the Southeast High Speed Rail Corridor that will eventually run from Georgia to Washington, D.C., connecting there with the Northeast Corridor from Washington to New York and Boston. North Carolina is engaged in a compact with Virginia to speed trains from Raleigh to Richmond and beyond.

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